

**Louisiana School Employees' Retirement System**  
**Quarterly Board Meeting**  
*Tuesday, May 20, 2014*  
8:30 a.m.

The Board of Trustees of the Louisiana School Employees' Retirement System convened in the Board Room (Room 100) of the Louisiana School Employees' Retirement System Building located at 8660 United Plaza Blvd., Baton Rouge, Louisiana. Mr. Jeffrey Faulk, Sr., Chairman of the Board, called the meeting to order at 8:33 a.m. The Lord's Prayer and Pledge of Allegiance were recited. Roll was called by Ms. Stark.

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**Members Present:** Mr. Philip B. Walther, Mr. Eugene Rester, Jr., Ms. Judith Ann McKee, Ms. Kathy B. Landry, Ms. Betty Crain, Mr. Jeffrey Faulk, Sr., Mr. Henry Yearby, \*Ms. Kerri Traxler - designee for Ms. Kristy Nichols - Commissioner of Administration

**Members Absent:** Mr. John Kennedy - State Treasurer, Mr. Tom Schedler - Secretary of State, Representative J. Kevin Pearson - Chairman of the House Committee on Retirement, Senator Elbert L. Guillory - Chairman, Senate Committee on Retirement

**Staff Present:** Mr. Charles P. Bujol - Executive Director, Ms. Carolyn Forbes - Assistant Director, Ms. Lauren Bailey - Executive Counsel, Mr. Christopher Saik - Interim Chief Investment Officer, Ms. Laurie Stark - Administrative Assistant, Ms. Alison Kessler - Executive Staff Officer, Ms. Larisa Ellard - Internal Auditor, Ms. Melinda Carson - Accountant Administrator

**Others Present:** \*Mr. Charles Hall - Hall Actuarial Associates, Ms. Michelle Cunningham - Duplantier, Hrapmann, Hogan & Maher, LLP

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\*Ms. Traxler arrived at 8:41 a.m.  
Mr. Hall arrived at 9:16 a.m.

**PUBLIC COMMENT ON ANY ITEM ON AGENDA**

Mr. Faulk called for public comment on any item on the agenda. There were no comments.

**APPROVAL OF MINUTES****March 10, 2014 - Investment Committee Meeting**

**ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the March 10, 2014 Investment Committee meeting.

**March 10, 2014 – Special Board Meeting**

**ON MOTION BY MS. McKEE, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the March 10, 2014 Special Board meeting.

**April 14, 2014 - Investment Committee Meeting**

**ON MOTION BY MS. CRAIN, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the April 14, 2014 Investment Committee meeting.

**April 14, 2014 – Personnel Committee Meeting**

**ON MOTION BY MR. WALTHER, SECONDED BY MS. CRAIN AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the April 14, 2014 Personnel Committee meeting.

**April 14, 2014 – Special Board Meeting**

**ON MOTION BY MS. CRAIN, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the minutes of the April 14, 2014 Special Board meeting.

**ADMINISTRATION****Human Resources Actions Report and Travel Expenses Reports (Year-to-Date and Staff)**

Ms. Forbes provided a review of the Human Resources Actions and the Travel Expenses (Year-to-Date and Staff) reports that occurred during the reporting period of January 1, 2014 through March 31, 2014 and then addressed questions from the Board.

**ON MOTION BY MS. McKEE, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Human Resources Actions and Travel Expenses (Year-to-Date and Staff) reports.

**Overtime Report**

Ms. Forbes provided a review of the Overtime report that occurred during the reporting period of January 1, 2014 through March 31, 2014 and then addressed questions from the Board.

**ON MOTION BY MS. McKEE, SECONDED BY MS. LANDRY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Overtime report.

**AUDIT****Internal Audit - Actuarial Purchase of Service Credits (Management Responses Included)**

Ms. Ellard provided a review of the Internal Audit regarding Actuarial Purchase of Service Credits report and then addressed questions from the Board and LSERS administrative staff.

\*Ms. Traxler arrived at 8:41 a.m.

**ON MOTION BY MR. YEARBY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Internal Audit report regarding Actuarial Purchase of Service Credits.

**Audit for the Compliance with Privatization (Caddo Parish School Board)**

Ms. Ellard provided a review of the Audit for Compliance with Privatization statutes regarding Caddo Parish School Board report and then addressed questions from the Board and LSERS administrative staff.

**ON MOTION BY MR. WALTHER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Audit for the Compliance with Privatization report regarding Caddo Parish School Board.

**LEGISLATION****Discuss and Consider Board Positions**

A handout titled *2014 Regular Legislative Session* was distributed. Ms. Bailey provided an overview of the progress of the LSERS board sponsored bills as well as the remaining bills that affect LSERS pending in the 2014 Regular Legislative Session.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. WALTHER AND CARRIED BY UNANIMOUS CONSENT**, the Board accepted the Legislative report.

**LEGAL****Litigation**

Ms. Bailey provided a review of the *Litigation Report as of May 16, 2014*, which was provided as a handout. She then addressed questions from the Board.

**ON MOTION BY MS. LANDRY, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Litigation report.

**Collections**

Ms. Bailey provided a report on collections during the last quarter and then addressed questions from the Board.

**ON MOTION BY MS. McKEE, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT**, the Board approved the Collections report.

\*Mr. Hall arrived at 9:16 a.m.

**PRESENTATION ON GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) 67 AND 68**

Ms. Michelle Cunningham with Duplantier, Hrapmann, Hogan & Maher, LLP provided an overview of new accounting rules from the Governmental Accounting Standards Board (GASB) 67 and 68 for 2014. A handout titled *Financial Reporting for Pension Plans* was provided.

**OTHER BUSINESS**

Mr. Hall presented a summary of how House Bill 1225 will affect LSERS should it be signed into law by the Governor. A handout titled *Summary of HB 1225* was provided.

There was no other business to discuss.

**PUBLIC COMMENT**

There were no public comments.

**ADJOURNMENT**

**ON MOTION BY MR. RESTER, SECONDED BY MR. YEARBY AND CARRIED BY UNANIMOUS CONSENT, the Board adjourned at 10:35 a.m.**

  
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Charles P. Bujol – Executive Director

  
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Jeffrey Faulk, Sr. – Chairman

